Annual Report '84-'85

Alberta
CONSUMER AND
CORPORATE AFFAIRS

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Alberta
CONSUMER AND CORPORATE AFFAIRS

Office of the Minister

104 Legislature Building, Edmonton, Alberta, Canada T5K 2B6 403/427-2305

The Honourable Dr. David J. Carter
Office of the Speaker
Legislative Assembly of Alberta

Sir:

I have the honour to submit this Annual Report of the Department of Consumer and Corporate Affairs for the fiscal year ending March 31, 1985.

Respectfully submitted,

Elaine McCoy
Minister of Consumer
and Corporate Affairs

Alberta
CONSUMER AND CORPORATE AFFAIRS

Office of the Deputy Minister

22nd Floor, 10025 Jasper Avenue, Edmonton, Alberta, Canada T5J 3Z5 403/427-4095

The Honourable Elaine McCoy
Minister of Consumer and Corporate Affairs

Madam:

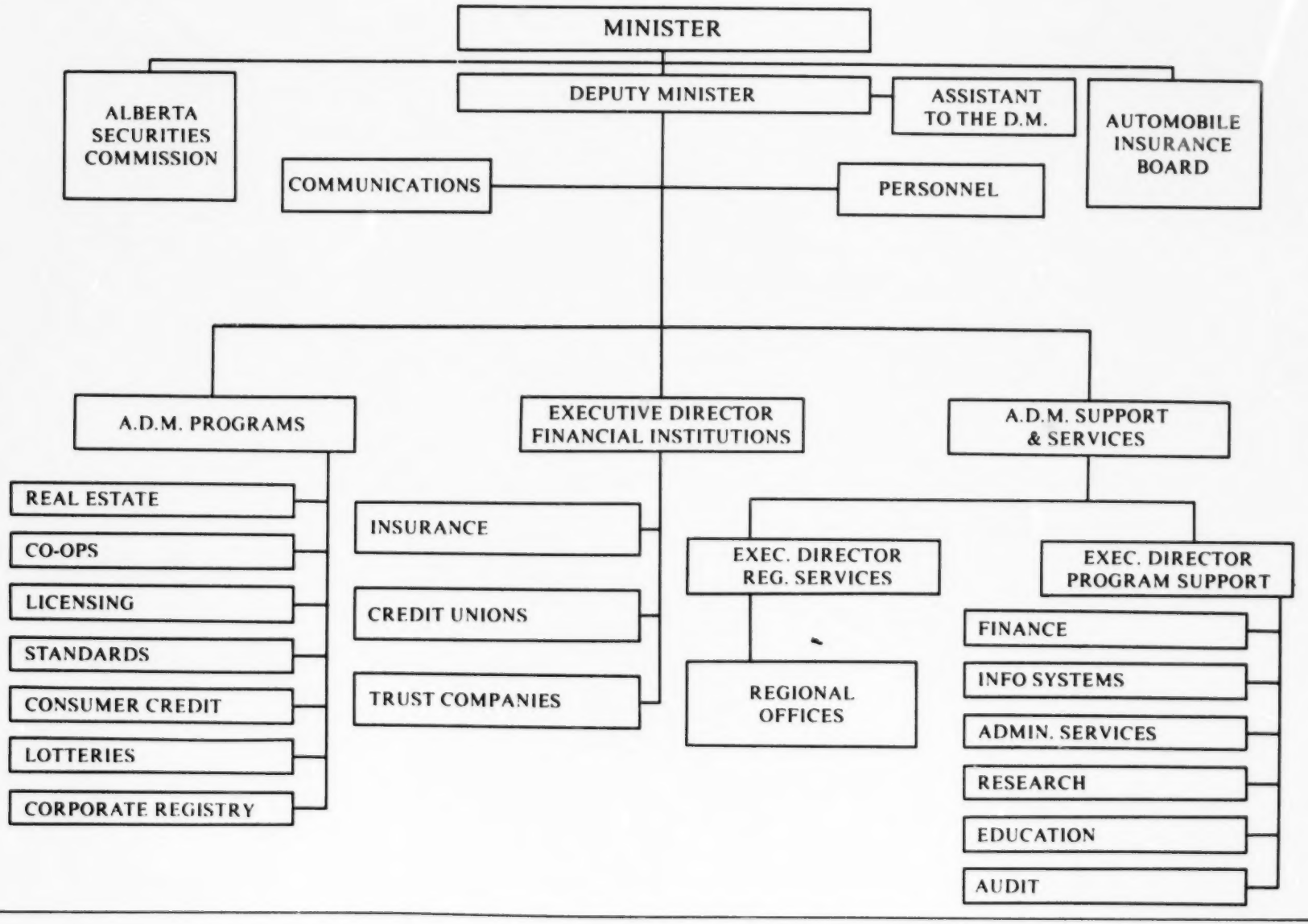
I take pleasure in submitting the Department's Annual Report for the fiscal year ending March 31, 1985.

Respectfully submitted,

J. Barry Martin
Deputy Minister

Alberta Consumer and Corporate Affairs
Organization Chart

1984/85



Acts Administered by Alberta Consumer and Corporate Affairs

Agricultural Societies Act (Section 33 & 43) - administered "in common" with Alberta Agriculture

Bankruptcy Act (federal Act, of which the Orderly Payment of Debts provisions are administered by the Department)

Business Corporations Act

Cemeteries Act

Cemetery Companies Act

Collection Practices Act

Companies Act

Condominium Property Act

Co-operative Associations Act

Co-operative Marketing Associations & Rural Utilities Guarantee Act

Credit and Loan Agreements Act

Credit Union Act

Credit Union Federation of Alberta Act

Debtors' Assistance Act

Department of Consumer and Corporate Affairs Act

Deposits Regulation Act

Direct Sales Cancellation Act

Franchises Act

Fuel Oil Licensing Act

Insurance Act

Insurance Corporations Tax Act

Interprovincial Lottery Act

Investment Contracts Act

Landlord and Tenant Act

Licensing of Trades and Businesses Act

Mobile Home Sites Tenancies Act

Mortgage Brokers Regulation Act

Native Co-operative Guarantee Act

Prearranged Funeral Services Act

Public Contributions Act

Real Estate Agents' Licensing Act

Religious Societies' Land Act

Sales of Chattels by Public Auction Act

Securities Act

Societies Act

Tax Rebate Discounting Act (federal Act administered by the Department)

Trust Companies Act

Unfair Trade Practices Act

Wage Assignments Act

Deputy Minister's Office

Communications

Personnel

Communications

Communications, in managing the overall communications needs for the Department, provides consultation on public affairs matters, media relations, advertising and communications strategies. In advising on and assisting with both internal and external communications activities, the staff provides editorial services and facilitates the preparation of printed materials, public displays, audio-visual productions, photography, artwork and print orders.

Highlights for the reporting period included initiating development of regional displays featuring computers which offer consumer information to the public as well as interchangeable graphics based on educational objectives. Additionally, Communications introduced a consistent visual identity for regional information materials.

Personnel

The Personnel Office assists the Department in human-resource management and personnel planning. This includes job classification, recruitment and selection, training and development, employee relations, pay and benefit administration, and occupational health and safety.

Employee Relations

Personnel consults with employees, supervisors, and managers to assist in employee/employer problems. The discussion, research, advice and documentation involved may result in disciplinary action by the employer, or grievances or appeals by the employee.

Classification

In keeping with the Department's committee approach to classifying bargaining unit positions, our line managers were involved in 23 decisions. A review of the process indicated a positive response to the committee approach. As a result, a department classification policy including guidelines for the use of classification committees was developed and classification training was arranged for an additional group of managers. The intent is to continue increasing the number of managers with classification knowledge, to allow active participation in the classification decision-making process.

Recruitment and Selection

The number of job applications processed increased over the previous year, in part due to an increase in staff movement to other positions, and in redeploying employees affected by position abolishment. The Department established a new transfer policy to allow equitable consideration of employee transfer requests.

Training and Development

Staff development activity received continued support from the managers in the Department. Employees were selected to attend staff development courses on the basis of identified needs, with a focus on improving job performance.

The major sources providing staff development opportunities included:

(i) Courses offered by the Government's Central Personnel Administration Office.
(ii) Private sector and other government-sponsored courses.
(iii) Certificate and degree programs offered by universities, communities, colleges, and post-secondary institutions.
(iv) Internally developed courses and workshops delivered to meet specific needs.

TABLE 1

Summary of Staff Development Activity

	No. of Participants
Organization Development Division courses	197
Government agency and private sector courses	81
Department-sponsored, in-house training	204
Course subsidies extended to participants in degree and certificate programs	44
TOTAL	526

TABLE 2

Department Personnel Statistics

Complement as of March 31, 1984

Total number of salary positions	429
Number of management positions	64
Number of non-management positions	351
Number of project positions	14
Number of wage employees (during 1984/85 year)	131
Classification requests processed	157
Employee relations interventions	100
Recruitment activity	91

Program Support and Services

Regional Services

Program Support

Information Systems

Consumer Education and Information

Administrative Services

Research and Planning

Finance

Audit

Regional Services

The Department's services are made available to the public through six Regional and two District Offices. During 1984/85 continued emphasis was placed on providing a full range of services throughout the Province. Regional public-education activities were increased to make both individuals and businesses cognizant of their rights and responsibilities in the marketplace. Regional auditing and examining of financial institutions within the Department's jurisdiction increased significantly during the year.

Complaints and Inquiries

Regional Services received over 99,000 enquiry and complaint telephone calls in 1984/85. This was a 4% decrease from the previous record-high year. Investigations conducted by the Department were down in number 14% from the previous year. This decrease is attributed to increased activity in consumer education, and to the practice of encouraging complainants to resolve their own consumer problems where possible.

The 10 most significant categories of complaints investigated in the fiscal year by the Department were:

Insurance	513	12.23%
Real Estate	504	12.01%
Motor Vehicles	495	11.8 %
Landlord and Tenant	453	10.8 %
Building Materials & Home Improvements	357	8.5 %
Credit	322	7.6 %
Appliances & Home Furnishings	307	7.3 %
Miscellaneous Mfg. Goods	261	6.2 %
Personal Services	230	5.4 %
Personal Goods	193	4.6 %

Program Support

Program Support supplies the centralized services that support the development and delivery of the Department's programs. In addition to the specialized functions discussed below in more detail, administrative services include word processing, office accommodation, mail and courier service, and telecommunications.

Information Systems

Services supplied to the Department by Information Systems during 1984/85 included: project management, acquisition and installation of equipment, development of software and co-ordination of procedural changes and user training.

Existing systems were supported through: budget preparation for each electronic data processing system; monitoring of operational costs; a review of Departmental legislation, policies and procedures to determine impact on systems; ensuring that systems were changed to meet new user requirements; monitoring changes in the technical environment to benefit staff with advancements wherever possible.

In addition to these major service areas, Information Systems managed and operated the Departmental Records Centre (providing storage for and access to semi-active and inactive files) and the Micrographics Unit (providing filming and processing services for micrographic systems). It designed and arranged the printing of stationery and forms, and oversaw the Department's records management program.

A concentrated effort decreased the operating cost of the Department's data processing system by 31%, with no reduction in levels of service to clients.

Consumer Education and Information

The Consumer Education and Information Program aims to:

- provide learning opportunities for Albertans to help them to develop decision-making skills to better cope in the marketplace,
- develop and distribute educational materials to meet consumers' needs,
- promote a sense of responsibility among Albertans for planning and using their personal resources,
- develop programs for special-need groups.

Print and Instructional Materials

A variety of publications and instructional materials were produced in response to changing consumer needs.

Projects completed this year include:

- a videotape production entitled "Opening the Door", which promotes the Resource Centre services and materials among professionals. A utilization guide of the same title was produced for use by departmental staff.
- The Co-operative Community, an overview of co-ops.
- forty-three newspaper columns covering a wide scope of issues, distributed to weekly newspapers throughout the province.
- four consumer articles written for magazines and professional journals.
- a pamphlet, Resource Centre: Staff Information Connection, designed for departmental staff use.
- eight guides to assist departmental staff in the planning and presentation of consumer education seminars to teachers.
- The 1985 edition of Consumer Education Materials: An Annotated List, for distribution to schools, post-secondary institutions, libraries, government departments and social agencies.
- Consumer Resources and Materials, an annotated bibliography designed to assist librarians in identifying consumer books, pamphlets and periodicals considered to be useful additions to library collections; distributed to 300 public libraries.
- posters promoting the Resource Centre; distributed to all schools, public libraries and post-secondary institutions in Alberta.

Awards

Taking Charge, and the related Fiscal Fitness advertising campaign, won three awards:

The Fiscal Fitness campaign won the Best Newspaper Series Award from the Advertising Club of Edmonton. The campaign also won an Honorable Mention in the Best Newspaper Campaign Category from the 1984 SAM Awards, an association of Western Canadian Advertisers, in Winnipeg.

Taking Charge won an Award of Merit for Design Excellence from the Print Design 84 Competition sponsored by the Society of Graphic Designers of Alberta.

Consumer Information Centres

Consumer Information Centres were established in nine public libraries, bringing to 16 the number of such centres in Alberta.

Resource Centre Services

A comprehensive resource collection of over 8,000 books, films, pamphlets, periodicals and videos on all facets of consumerism, the Resource Centre also offers professional assistance in setting up special workshops and inservice training. The Centre was increasingly used during the fiscal year by clients including professionals, post-secondary students, the general public and departmental staff.

Resource Centre User Statistics

	1984/85	1983/84
Number of staff	1,520	1,447
Number of post-secondary students	338	444
Request for films	702	567
Requests from the public for information	4,743	3,542
Number of educators	403	1,064

The Resource Centre held open houses, conducted a variety of workshops, and provided displays for educators and post-secondary students. The objective of the sessions was to help participants choose consumer education resources for their own programming.

Regional Activities

Consumer Education staff in the six regions organized numerous courses and workshops for special-interest groups and the general public, set up displays and provided consumer information and publications on request. Staff members also appeared regularly on television and radio programs and submitted articles to newspapers to help keep Alberta consumers informed. Increasingly important in all Regional Offices was the training of educators and other helping professionals through workshops and consultations to maximize resources.

Research and Planning

Research and Planning provides information to support Departmental planning and policy formation. The unit has five major functions:

- responding to requests for information on consumer issues and Department policies. Topics investigated in the past year include how other jurisdictions regulate the raising of capital by co-operatives; apprenticeship requirements for the appliance-repair industries; a review of procedures for claiming on a surety bond; Canadian experience with class-action legislation; cost-of-living guidelines.
- publishing Market Highlights, a monthly newsletter which provides the public with information about consumer goods and services, including price changes and new products, product safety, and consumer protection legislation.
- analyzing particular policies and issues, assessing their implications for the Department and preparing policy recommendations. Among the projects completed were: a review of prearranged funeral services legislation in North America; an assessment of spending patterns by organizations supported by lottery profits; a study of letters of credit as an alternative to surety bonding.
- co-ordinating the Department's long- and short-term planning processes.
- providing data collection and analysis to facilitate Departmental decision-making. This services includes needs-assessments, program evaluations, and surveys. Among the activities in 1984/85 were the co-ordination of a public opinion poll on consumers' information needs; a survey of adults' knowledge of consumer protection laws; a study of the Department's absenteeism rate; several evaluations of staff training programs, Departmental publications and television presentations.

Finance Office

TABLE 1

Summary of Revenue for Alberta Consumer and Corporate Affairs for the Fiscal Years Ended March 31, 1984 and 1985

	1984/85	1983/84
Taxes:		
Insurance Corporation Tax Act	$ *	$32,474,137
Fees, Permits and Licenses:		
Business Corporations Act	$5,918,780	$ 6,416,584
Alberta Securities Commission	531,447	526,079
Insurance Companies	309,708	301,987
Credit Union Examination	269,892	255,928
Real Estate Agents	96,000	221,515
Licensing of Trades and Business Act	172,136	184,058
Other	91,777	69,259
	$7,389,740	$ 7,975,410
Other Revenue:		
Refunds of expenditure	$ 4,211	$ 135
Miscellaneous	13,561	84,011
	$ 17,772	$ 84,146
TOTAL DEPARTMENTAL REVENUE	$7,407,512	$40,533,693

* Collection of Insurance Corporation Tax transferred to Alberta Treasury.

TABLE 2

Summary of Expenditures of Alberta Consumer and Corporate Affairs for the Fiscal Years Ended March 31, 1984 and 1985

	1984/85	1983/84
Central Support Services		
Minister's Office	$ 148,467	$ 158,589
Executive Management	496,761	537,594
Program Support Division	3,991,562	4,358,246
Regional Delivery Division	4,273,555	3,812,076
	$ 8,910,345	$ 8,866,505
Consumer Services	$ 587,155	$ 1,275,359
Business Registration and Regulation		
Regulation of Financial Institutions		
Executive Director Financial Institutions	$ 124,902	$ 156,686
Regulation of Insurance Industries	128,453	207,112
Regulation of Credit Unions	465,142	129,809
Registration and Regulation of Trust Companies	133,850	135,605
	$ 852,347	$ 629,212
Registration and Regulation of Businesses		
Regulation of Real Estate	$ 170,445	$ 172,513
Licensing	356,140	397,182
Regulation of Business Practices	107,206	184,270
Regulation of Credit Grantors	128,727	197,958
Lotteries Administration	50,482	—
Business Incorporations and Registration	2,388,009	2,599,018
Regulation of Co-operatives	61,630	67,213
	$ 3,262,639	$ 3,618,154
Regulation of Auto Insurance Premiums	$ 147,021	108,359
TOTAL	4,262,007	4,355,725
Regulation of Financial Market	$ 2,559,669	$ 3,000,323
Financial Assistance to Major Exhibitions and Fairs	$ 6,117,331	$ 5,869,886
Total Departmental Expenditures	$22,436,507	$23,367,798

Audit

Audit provides a financial consulting and examination service to the Department, with financial analysis and field examinations of registrants or licensees conducted at the request of statutory directors.

Audit programs designed specifically for regulated industries were used in examining whether licensees were complying with applicable legislation and were handling public funds appropriately.

During 1984/85, all provincially chartered insurance companies and investment contract companies were audited. In addition, reviews and examinations were conducted in accordance with legislation administered by the Department.

Programs

Real Estate

Co-operative Activities

Consumer Credit
Family Financial Counselling

Licensing

Standards Development

Lotteries

Class "A" Agricultural Fairs & Exhibitions

Corporate Registry

Real Estate Program

The Superintendent of Real Estate administers the Real Estate Agents' Licensing Act, Mortgage Brokers Regulation Act, Condominium Property Act, Landlord and Tenant Act, and Mobile Home Sites Tenancies Act.

In the public interest, this Program ensures that persons who deal in these areas are licensed and bonded, where required. Complaints against those licensed are investigated by regional staff who also conduct routine inspections to ensure trust funds are handled properly.

Real Estate Agents' Licensing Act

To become licensed as real estate agents, applicants must satisfy the Superintendent of Real Estate that they meet the requirements respecting training, competency and personal integrity. The number of real estate licensees in 1984/85 is summarized in Table 1.

After February 1, 1985, real estate salespersons did not require licensing, but did have to register with the Real Estate Assurance Fund and comply with all the provisions of the Real Estate Agents' Licensing Act and Regulations.

The Program regulates the registration of out-of-province real estate that is divided into units such as lots, condominiums or timesharing projects. A prospectus providing full disclosure of relevant facts must be filed and accepted before a developer is permitted to offer a project to Alberta residents. There were 17 filings, and 13 Certificates of Acceptance issued.

TABLE 1

Number of Real Estate Agents and Salesmen

	1984/85		1983/84	
	Agents	Salesmen (est.)	Agents	Salesmen
Calgary	288	2,436	287	2,291
Edmonton	263	1,646	297	1,498
Red Deer	23	181	27	161
Lethbridge	27	244	23	216
Medicine Hat	23	153	30	174
Fort McMurray	16	88	16	59
Grande Prairie	12	80	13	82
Camrose	4	41	5	36
Lloydminster	5	43	7	39
Wetaskiwin	5	38	8	44
Drumheller	6	40	10	41
St. Albert	12	58	1	--
Peace River	5	23	5	26
Towns and Villages	232	949	438	1,335
	921	6,020	1,167	6,002

Mortgage Brokers Regulation Act

Persons acting as mortgage brokers must be registered and maintain certain bonding and capital requirements. As of March 31, 1985, 76 mortgage brokers were registered in the Province, compared to 112 the previous year.

Landlord and Tenant Act

Complaints against landlords are investigated by regional staff who also serve as mediators when required. The majority of complaints relate to non-return of security deposit and non-payment of interest. Court action is initiated when warranted; of 35 such instances during the year, 28 resulted in convictions.

Disciplinary Action

Five show-cause hearings were held for real estate agents and salesmen, resulting in three refusals of license and two reprimands. Three additional letters of reprimand were issued. Nine show-cause hearings were held for mortgage brokers, resulting in two cancellations, three suspensions, and non-renewal of two registrations. Five letters of reprimand were also issued after investigations by Department staff. Court action was instituted in five cases under the Real Estate Agents' Licensing Act and the Mortgage Brokers Regulation Act, resulting in three convictions.

TABLE 2

Real Estate, Mortgage Broker, Condominium, and Landlord and Tenant Investigations

	1984/85	1983/84
Real Estate	362	423
Mortgage Brokers	139	162
Condominiums	–	4
Landlord and Tenant	453	672
Mobile Home Sites	3	8
TOTAL	957	1,269

Co-operative Activities Program

The Co-operative Program is responsible for the administration of the Co-operative Associations Act, the Co-operative Marketing Association and Rural Utilities Guarantee Act and the Native Co-operative Guarantee Act. The overall objective is to assist co-operatives with their incorporation requirements and to encourage them in the provision of co-operative services to their members. Program services are extended throughout the Province by the six Regional Offices and two District Offices.

Economic conditions, compounded by competition in some areas, have forced many co-operatives to reorganize, consolidate and refinance.

With 13 new incorporations and 20 dissolutions in the last nine months of 1984, membership in Alberta totalled 984,689. That figure, however, does not take into account duplication of members belonging to more than one co-operative.

The Department works closely with other government departments, such as Alberta Utilities and Telecommunications, Alberta Agriculture, and Alberta Housing, to assist Albertans in the various forms of co-operatives throughout the Province.

Alberta Co-operatives Statistics

Year Ending December 31, 1984

Classification	Sales	Assets	Equity	Savings	Members
Consumer	1,003,428,923	326,108,967	147,208,863	31,934,461	737,559
Seed, Grain, Food Producers	78,329,753	43,921,551	9,785,589	(3,650,999)	31,644
Dairy & Milk Producers	270,038,435	77,659,639	34,648,134	10,764,242	4,106
Livestock, Poultry	139,731,229	72,824,560	24,093,381	7,504,514	7,478
Housing, Land	16,301,605	98,733,576	4,958,080	(53,350)	2,759
Associations, Wholesalers	529,268	470,082	260,104	15,106	356
Services	25,019,598	15,752,026	8,728,857	300,691	22,030
Worker Co-ops	2,693,685	1,746,294	242,969	83,349	176
Total Alberta Incorporated Co-ops	1,536,072,496	637,216,695	229,925,977	46,898,014	806,108
Extra-Provincials	2,207,836,625	1,057,786,773	209,020,878	15,560	178,581
TOTAL	3,743,909,121	1,695,003,468	438,946,855	46,913,574	984,689

Consumer Credit Program

The Consumer Credit Program administers four statutes: the Credit and Loan Agreements Act, the Collection Practices Act, the Wage Assignments Act and the Tax Rebate Discounting Act (federal).

The Supervisor of Consumer Credit, appointed under the Credit and Loan Agreements Act, is also the Chairman of the Debtors' Assistance Board and operates the Family Financial Counselling Program under his appointment pursuant to the Debtors' Assistance Act. In addition to the Debtors' Assistance Act, the Supervisor also administers the Orderly Payment of Debts Provisions of the Bankruptcy Act (federal).

Under the Credit and Loan Agreements Act, the Supervisor's main task is "to ensure as far as possible, that persons borrowing or receiving credit from credit grantors are fully informed of all the terms and conditions on which the lending and granting of credit is made." Complaints and investigations are conducted by the Department's six Regional and two District Offices throughout the Province.

During the calendar year 1984, regional office personnel handled 368 credit-related complaints. Table 1 provides a breakdown of the types of credit complaints received.

Tax Discounting

The Consumer Credit Program, in administering the Credit and Loan Agreements Act and the Tax Rebate Discounting Act (federal), recorded the highest levels of activity by the tax discounting industry since the 1978 passage of the Tax Rebate Discounting Act.

As of December 31, 1984, 28 tax discounting firms maintained registration under the Credit and Loan Agreements Act, representing an increase of 15 from the previous year.

The activity of these discounters, shown in Table 2, is derived from their filed annual returns. Little enforcement activity was necessary in the calendar year 1984.

Industry Liaison

New legislation, proposed as the Consumer Credit Transactions Act, was drafted in 1984 and presented to the credit industry and other interested parties as a discussion paper.

Many comments and observations were received which led to revisions prior to the introduction of the Consumer Credit Transactions Act during the Spring 1985 session of the Legislature.

Family Financial Counselling Program

Under the authority of the Debtors' Assistance Act, Regional Office counsellors work with Albertans in family financial matters, with the assistance of educational resources provided through the Department's Education Program. Although the majority of counselling is in the form of information, assistance and mediation, the Family Financial Counselling program also administers two types of debt-repayment programs. A voluntary program is offered under the Debtors' Assistance Act, and a court-ordered program under the Orderly Payment of Debts Provisions of the Federal Bankruptcy Act. Administered in conjunction with the clerk of the court of the Attorney General's Department, the Orderly Payment of Debts repayment program offers a controlled method of debt repayment without the need to declare bankruptcy.

In 1984, new direction was introduced in the Family Financial Counselling Program to emphasize preventive activity rather than remedial, while assisting clients to help themselves.

During the 1984/85 fiscal year, 8,263 Albertans contacted the Department's Family Financial Counsellors for information, advice and repayment assistance. Repayment programs resulted in the disbursement of $2,358,870.43 to more than 1,100 creditors.

TABLE 1

Summary of Credit Complaints in 1984*

Complaint Investigations (by type of business)

	1984	1983
Collection Agency	134	133
Retail	111	93
Bank (includes credit unions and trust companies)	46	60
Finance Company	26	21
Mail Order	3	8
Tax Discounter	23	20
Personal Services	6	9
Credit Reporting	9	1
Other	10	9
TOTAL	368	354

Complaint Investigations (by type of problem)

	Total 1984	Total 1983
Collection Practices	114	112
Cost of Credit	42	38
Advertising	71	55
Pay-Out Calculation	18	26
Contract Liability	18	38
Unethical Practices	14	14
Cancellation of Contract	8	5
All Others (including licensing investigations)	83	66
TOTAL	368	354

* The Credit and Loan Agreements Act requires that the Supervisor of Consumer Credit report annually on a calendar-year basis; the figures in this section are from the latest report, which covers the period January through December, 1984.

TABLE 2

Activity of Alberta Tax Discounters

	1984	1983
Number of Returns Acquired	41,049	20,254
Total Amount of Refunds Acquired	$34,281,318.30	$18,145,625.00
Average Refund	$817.21	$895.90
Total Discount Retained	$5,013,332.71	$2,582,875.00
Average Discount Per Return	$119.51	$127.52
Percentage of Refund Retained	14.62%	14.23%

Licensing Program

The Licensing Program administers the following legislation: Licensing of Trades and Businesses Act, Public Auctions Act, Fuel Oil Licensing Act, Direct Sales Cancellation Act, Public Contributions Act, Cemeteries Act, Prearranged Funeral Services Act.

In addition, the Program is responsible for administrative procedures for licensing of real estate agents, insurance agents, adjusters and investment contractors under the Real Estate Agents' Licensing Act and the Insurance Act, and is now also responsible for collection agencies and collectors.

Licensing is handled by Regional Office staff, who are responsible for accepting applications and supporting documents, conducting investigations and referring recommendations for prosecution or bond claims to the Director. The Licensing Program provides regional staff with information through an on-line system of licensing, training and consulting services, bond administration/ claims, and prosecution approvals.

During the fiscal year, approximately 25,440 licences were issued or renewed on an annual or two-year basis, with another 2,840 already active on a two-year basis and not yet due for renewal. The deregulation of the real estate salesman license meant approximately 11,000 did not have to be renewed. All other types of licenses issued increased in number by 2%.

A total of 727 campaign permits for charitable solicitations were approved by the Department and six local approving authorities.

There were 10 final certificates of approval issued for the use of land as cemeteries.

Surety bonds posted by 25 licensees were forfeited to compensate 59 consumers where the licensees failed to provide goods and services. Claims totalled $137,782.00.

Standards Development Program

The Standards Development Program administers the Unfair Trade Practices Act, which provides both protection to consumers and guidelines for a fair and competitive marketplace within which the business community may operate. The principles on which the Act is based, such as truth in selling and full disclosure of information, allow acceptable standards of business conducts to be set, benefiting both the supplier and consumer of goods and services.

In keeping with Departmental policy, the Unfair Trade Practices Act has been administered this past year with an increasing emphasis on the principles of consultation and co-operation with the business community. Alleged transgressions of the Act, particularly those relating to price comparisons, are discussed with the business concerned and in the vast majority of cases, agreement is reached without having to resort to legal action. Where records indicate that a number of complaints have been filed against a supplier over a period of time, that supplier is contacted by Program staff and reminded of its obligations under the Act. This almost always leads to voluntary compliance, offered in a positive and co-operative spirit.

However, if a supplier persists in operating outside the requirements of the Unfair Trade Practices Act, legal action is initiated by the Director of Trade Practices. For example, the Director filed a statement of claim against a retailer of women's apparel, including a claim for punitive damages in the amount of $100,000. This action was taken only after the supplier had breached the terms of a previous Undertaking entered into with the Director as well as the terms of a Consent to Judgement. Other legal action this year was confined to obtaining Statutory Undertakings from three suppliers whose conduct was sufficiently serious to warrant this formal remedy.

The Department's six Regional and two District Offices conducted 895 investigations into alleged breaches of the Unfair Trade Practices Act during the last fiscal year.

The Standards Development Program has continued to liaise closely with business organizations and government agencies on issues relating to standards of acceptable trading practice in the marketplace. Examples of such liaison include discussions on auto-lease advertising with the Alberta Motor Dealers' Association, and on minimum professional standards with the Alberta Chapter of the Alliance of Canadian Travel Agents. Program staff have also met with government agencies on matters ranging from competition policy and copyright to odometer tampering and certification of home-insulation companies.

Lotteries

Under the Interprovincial Lottery Act, the Minister may, on behalf of the Government of Alberta, enter into agreements with the governments of any other provinces regarding the conduct and management of lottery schemes within Alberta and those other provinces.

The Government of Alberta has dedicated lottery profits to volunteer, non-profit groups in the areas of recreation and culture. In 1984/85, these profits totalled approximately $17 million.

During the year, a one-time-basis amount of one million dollars was allocated for International Youth Year projects.

Class "A" Agricultural Fairs & Exhibitions

The Consumer and Corporate Affairs Grant Regulations provide for the Minister to make certain grants to Class "A" Fairs and Exhibitions in Alberta. In addition, under the Agricultural Societies Act, the Minister administers certain sections of that Act for Class "A" fairs. These fairs are located in Calgary, Camrose, Edmonton, Grande Prairie, Lethbridge, Lloyminster, Medicine Hat, Olds, and Red Deer.

Capital and operating grants to the fairs in 1984/85 totalled $3,310,917 and $2,806,413 respectively.

Corporate Registry

Corporate Registry is responsible for the registration function outlined in the Business Corporations Act, the Companies Act, the Societies Act, the Religious Societies' Lands Act, the Co-operative Associations Act, the Credit Union Act, and the Cemetery Companies Act.

The Registry's primary administrative function under these Acts is to issue certificates which will create or change the structure of limited liability corporations and societies, and issue certificates of registration to permit corporations formed in any other jurisdiction to carry on business in Alberta. It also maintains a public depository of documents required to be filed under the various provisions of the above Acts.

The records maintained by the Registry on 164,779 active Alberta corporations are in computerized and microfilm form. During 1984/85 the Program incorporated or registered 15,884 corporations.

The Registry accomplished substantial downsizing in 1984/85 as a result of the privatization of the corporate name examination process. Further decentralization of Registry functions was planned for the Regional Offices.

A project to change from a dual system of paper files and microfilm, to microfilm only, was completed and resulted in significant savings.

The Registrar is in continual contact with other North American jurisdictions for the purpose of maintaining uniformity in the enactment and administration of corporate law. In June, Corporate Registry was scheduled to host the Eighth Annual Meeting of the International Association of Corporation Administrators, the first such conference to be held in Canada.

TABLE 1

Documents Issued

	1984/85	1983/84
Business Corporations Act		
Certificates of Incorporation	13,521	12,235
Certificates of Registration	1,223	1,326
Certificates of Continuance	7,861	42,100
Certificates of Amalgamation	395	460
Certificates of Amendment	7,438	434
Certificates of Dissolution	21,700	12,065
Certificates of Import Continuance	105	91
Certificates of Discontinuance (Export)	436	388
Companies Act		
Certificates of Incorporation	37	52
Societies Act		
Certificates of Incorporation	1,047	1,173
Certificates of Articles/By-law Change	847	835
Religious Societies' Lands Act		
Certificates of Incorporation	37	37
Co-operative Associations Act		
Certificates of Incorporation	19	24
Credit Union Act		
Certificates of Incorporation	2	0
Cemetery Companies Act		
Certificates of Incorporation	2	0

TABLE 2

Documents Processed

	1984/85	1983/84
Annual Corporate Summaries	117,729	106,339
Notice of Address	25,909	26,041
Notice of Directors	20,623	19,952
Debt Obligations	6,828	6,193
Discharge of Obligations	2,904	2,301
Receivers/Liquidators	557	729
Corporate Revivals	1,090	858

TABLE 3

Public Information

	1984/85	1983/84
Telephone Searches	404,663	402,664
Walk-in Clients	68,912	69,873
Certified Documents	7,034	6,452
Written, Telex Searches	56,255	52,980

Financial Institutions

Insurance and Investment Contract Companies

Credit Unions

Trust Companies

Financial Institutions

This program area aims at safeguarding consumers' interests while providing a stable, positive, regulatory environment, with minimum government intervention, for the Province's financial institutions.

Office of the Superintendent of Insurance

In accordance with the Insurance Act of Alberta, the Superintendent of Insurance:

(a) has general supervision of the business of insurance within Alberta,

(b) shall ensure that the laws relating to the conduct of the business of insurance are enforced and obeyed,

(c) shall examine and report to the Minister from time to time on all matters connected with insurance, and

(d) shall prepare for the Minister an annual report on the affairs of the industry.

Additionally, under the Investment Contracts Act, the Superintendent has similar responsibilities in relation to the supervision and regulation of the investment contracts industry.

Before obtaining a licence from the Superintendent, an insurance company must place a deposit with the appropriate provincial or federal authority. This deposit is held to protect policyholders in case the company runs into financial difficulties.

In an effort to ensure that all insurance agents, brokers, and adjusters acquire an acceptable standard of knowledge in their field, the Superintendent prescribes examinations for new applicants before issuing a certificate of authority.

All insurance companies licensed in Alberta are required to file, with the Superintendent of Insurance, annual audited statements detailing their financial conditions and operations.

In the interest of policyholders, the office of the Superintendent monitors the financial stability of provincially incorporated insurance companies through annual audit and periodic review of their financial condition. Federally chartered insurance companies are monitored by the Superintendent of Insurance for Canada.

The Superintendent works in co-operation with other provincial jurisdictions to maintain uniformity in the enactment and administration of insurance laws. Each year the provincial and territorial Superintendents of Insurance across Canada and the federal Superintendent of Insurance hold a conference to discuss regulatory issues relating to the insurance industry.

TABLE 1

Insurance Companies Licensed

	1984/85	1983/84
Provincial Companies	8	8
Extra-Provincial Companies	16	15
Canadian Registered Companies	312	312
Fraternal Associations	21	21
TOTAL	357	356
New Companies Admitted (1984)	3	9
Companies Withdrawn (1984)	4	2
Companies Merged into Existing Companies	2	2

TABLE 2

Number of Insurance Agents Licensed (as of February 1, 1985)

	LIFE	FIRE	ACC. & SICK.	HAIL	AUTO	OTHER	TOTAL 1984 85	TOTAL 1983 84
Edmonton	1,319	485	818	3	15	343	2,983	2,722
Calgary	1,445	567	931	1	4	317	3,265	3,005
Lethbridge	129	70	74	29		39	341	297
Medicine Hat	48	28	20	10	1	17	124	84
Red Deer	106	39	59		1	44	249	208
Grande Prairie	58	14	46	7	2	19	146	109
Other Centres* and Non-Residents	767	629	325	575	14	404	2,714	2,929
Other	1	1,818			13	43	1,875	2,036
TOTAL	3,873	3,650	2,273	625	50	1,226	11,697	11,390

* Centres with fewer than 50 agents are not shown separately.

TABLE 3

Number of Insurance Adjusters Licensed (as of February 1, 1985)

	Total 1984/85	Total 1983/84
Edmonton	158	151
Calgary	122	124
Red Deer	15	13
Lethbridge	24	19
Lloydminster	10	9
Other Centres* and Non-residents	69	77
TOTAL	398	393

* Centres with fewer than 10 adjusters are not shown separately.

TABLE 4

Insurance Complaints Resolved (Fiscal Year Ending March 31, 1985)

Class of Complaints	Total 1984/85	Total 1983 84
Automobile	178	198
Fire	87	77
Life	60	85
Accident and Sickness	45	48
Travel	13	8
General (other classes)	118	124
Adjusters	4	9
TOTAL	505	549

Credit Union Program

The Credit Union Program administers the Credit Union Act and the Credit Union Federation of Alberta Limited Act.

Additionally, the Director is responsible for examining applications for the incorporation of credit unions, examining the affairs of each credit union at least once a year and, with the Board of the Stabilization Corporation, approving dissolutions and amalgamations.

There is continuous liaison between the office of the Director and the Credit Union Central, the Credit Union Stabilization Corporation and Alberta credit unions.

No new credit unions were incorporated during the fiscal year 1984/85. There were two dissolutions, leaving 131 credit unions chartered in the Province.

Alberta Credit Unions

	March 1985	March 1984
Number of Incorporated Credit Unions	131	133
Branch Outlets	147	153
TOTAL	278	286
Members	490,641	496,730
Assets	$2,508,380,000	$2,575,168,000
Loans Outstanding	1,919,174,000	1,958,186,000
Cash & Investments	321,847,000	324,200,056
Guarantee Reserves (for doubtful loans)	87,389,000	67,858,565

Trust Companies Program

The Trust Companies Program administers the Trust Companies Act.

All trust companies operating in Alberta must be registered and comply with all requirements of the Act. Those taking deposits from the public must also be members of the Canada Deposit Insurance Corporation.

These companies must file quarterly and annual reports, and any other information as may be required by the Director of Trust Companies.

As at December 31, 1984, 50 trust companies were registered in Alberta: five Alberta-incorporated, 29 federally incorporated and 16 incorporated in other provinces.

Comparative Statistics for Trust Companies Registered in Alberta

	1984 ($000)	1983	Increase (Decrease) ($000)	Change
Total Assets	$42,965,000	$42,818,000	$147,000	.3%
Term and Demand Deposits (Alberta)	3,902,000	3,635,000	267,000	7.3%
Total Investments (Alberta)	8,035,000	8,486,000	(451,000)	(5.3%)
Number of Trust Companies				
Registered in Alberta	50	51		
Federally Incorporated	29	28		
Extra-Provincially Incorporated	16	18		
Alberta Incorporated	5	5		